



CANNON BUILDING  
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STATE OF DELAWARE  
**DEPARTMENT OF STATE**  
DIVISION OF PROFESSIONAL REGULATION

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MEETING MINUTES:	<b>BOARD OF CHARITABLE GAMING</b>
MEETING DATE AND TIME:	<b>Thursday, April 5, 2012 at 1:00 p.m.</b>
PLACE:	861 Silver Lake Boulevard, Dover, Delaware <b>Conference Room B</b> , second floor of the Cannon Building
APPROVED:	<b>May 3, 2012</b>

**MEMBERS PRESENT**

James Greene, Chairman, DE Volunteer Fireman's Association Member  
Deborah Messina, Vice Chair, Public Member  
Sharon McDowell, Public Member  
Scott Angelucci, Public Member  
Janet Williams-Coger, Non-Profit Member (entered at 1:10 p.m.)

**MEMBERS ABSENT**

None

**DIVISION STAFF/DEPUTY ATTORNEY GENERAL PRESENT**

Robert Willard, Deputy Attorney General  
Sandra Wagner, Administrative Specialist III  
Meaghan Jerman, Administrative Specialist II  
Sam Nickerson, Investigative Supervisor  
Jean Betley, Lead Investigator  
Elaine O'Neill, Gaming Inspector

**ALSO PRESENT**

Jack Vogel, Harrington Fire Company  
Frank Long, Midway Lions  
Aaron Hemphill, Charitable Games of Delaware  
Catherine Jenkins, Mill Creek Ladies Auxiliary  
Betty Tull, Mill Creek Ladies Auxiliary

**CALL TO ORDER**

Mr. Greene called the meeting to order at 1:02 p.m.

**REVIEW AND APPROVAL OF MINUTES**

The Board reviewed the meeting minutes of March 1, 2012. Ms. Messina made a motion, seconded by Mr. Angelucci, to approve the minutes as presented. The motion passed unanimously.

## **UNFINISHED BUSINESS**

### **Final Denials**

#### **Sussex County AmVets Post 2 (prize list)**

Mr. Angelucci re-reviewed the application and made a motion, seconded by Ms. Messina, to finally deny the application of Sussex County AMVETS Post 2 for failure to submit an acceptable prize list. The motion passed unanimously.

Mr. Greene made a motion, seconded by Ms. Messina, to amend the agenda to add item 5.16.9, Review of Inspection Report for Rehoboth Cooperative Preschool. The motion passed unanimously.

### **Re-Review of Contingent Approvals and PTD Applications** - None

### **Joint Sunset Review (released)**

Ms. Messina reported that the Board was released from Joint Sunset review in March 2012. Mr. Willard reported that he sent an exhaustive email to Sara Wooten, Administrator of the Joint Sunset Committee, yesterday, explaining the various proposed changes in the Board's statute. Ms. Messina was copied on the email and thanked Mr. Willard for his effort.

### **Members In Charge (discussion re application forms)**

Ms. Wagner asked the Board if all 5 Members-In-Charge (as discussed at the March meeting) could be listed on the application form, rather than listing 3 Members-In-Charge on the application and requesting a separate letter designating 2 additional MICs. Mr. Greene and Ms. Messina agreed that all 5 Members-In-Charge could be listed on the application form. Ms. Wagner will tweak the Board's draft letter to organizations regarding Members-In-Charge.

## **RULES & REGULATIONS PUBLIC HEARING – 1:10 P.M.**

**BOARD PRESENT:** James Greene, Deborah Messina, Scott Angelucci, Sharon McDowell, Janet Williams-Coger

**PUBLIC PRESENT:** Jack Vogel, Frank Long, Aaron Hemphill, Catherine Jenkins, Betty Tull

**PURPOSE:** The Board proposed amendments to 10 *Del. Admin. Code* Section 101. The proposed amendments make it clear that members of charitable organizations who are working at the bingo event may not themselves play in the bingo games and also that the amount of the prize in each bingo game must be announced to the players. In addition, the proposed amendments clarify that where the statute allows promotional giveaways on holidays, the meaning of the term holidays is official state holidays. The proposed amendments also make it clear that the limit of 15% of the total amount of all prized which may be offered as an inducement to players refers to inducements other than the cookie jar bingo games, where a cookie jar may have a prize of up to \$1,000.

**PRESIDING:** James Greene, Chairman

**DIVISION STAFF:** Sandra Wagner, Meaghan Jerman, Sam Nickerson, Jean Betley, Elaine O'Neill

**BOARD COUNSEL:** Robert Willard, Deputy Attorney General

**COURT REPORTER:** Vera Sitzes, Wilcox and Fetzer

The hearing began at 1:10 p.m. Mr. Willard stated that the purpose of the hearing was to receive public comment regarding the Board's proposed amendments to its Rules and Regulations governing Bingo, and summarized the amendments for the public. Mr. Willard advised that the proposed changes and notification of the public hearing were published in the Register of Regulations and two newspapers. Mr. Willard confirmed that no public comment had been received by the Board office. Mr. Willard asked the public if they had any comment on the proposed changes. There being no comment, Ms. Messina made a motion, seconded by Ms. McDowell, to adopt the amendments as proposed. The motion was unanimously carried. Mr. Willard advised that the amendments will be re-published in the May 2012 Register of Regulations and will take effect 10 days after publication.

The hearing adjourned at 1:15 p.m.

## **NEW BUSINESS**

### **Executive Session**

The Board went into executive session at 1:15 p.m.

Ms. Williams-Coger made a motion, seconded by Ms. Messina, to close the executive session at 1:55 p.m.

After Executive Session ended, but before the public re-entered the meeting, Mr. Nickerson stated that the investigative/inspection group had gone far enough, and had enough [evidence] to go forward with a complaint. Mr. Nickerson added that the issue had gone beyond the point where inspectors could further address it. Mr. Greene agreed.

The public re-entered the meeting, and Mr. Greene requested that everyone in the public sign-in. At Mr. Greene's request, the public introduced themselves, as follows: Frank Long of Midway Lions Club, Aaron Hemphill of Charitable Games of Delaware, Investigator Jean Betley, Inspector Elaine O'Neill, Jack Vogel of Harrington Fire Company, Betty Tull of Mill Creek Fire Company, and Catherine Jenkins of Mill Creek Fire Company.

### **Board Member Reports** - None

### **Delegation of Authority**

NUR Shrine (revised bingo games/prizes 4/15/12)

Mr. Greene stated that NUR Shrine was given approval to revise its bingo games and prizes under delegation of authority. There was no motion.

### **Review of Applications for Texas Hold'Em Tournaments** None

### **Review of Applications for Charitable Gaming Events**

Fraternal Order of Eagles (1<sup>st</sup> time app, alcohol)

Mr. Angelucci reviewed the application. Mr. Greene asked Mr. Angelucci if the application indicated that alcohol would be served during the event. After further review, Ms. Messina stated that the only type of game checked on the application was "big six wheel". Ms. Messina stated that they must be having a cake wheel which is not charitable gaming and does not require a permit. Ms. Williams-Coger made a motion to send a letter to Fraternal Order of Eagles advising them that a gaming permit is not necessary for a cake wheel. There was no second to the motion. The motion passed unanimously.

### **Review of Applications for Instant Bingo Events**

American Legion Post 2 Walter L. Fox

Mr. Angelucci reviewed the application. Mr. Angelucci made a motion, seconded by Ms. McDowell, to approve the instant bingo application of American Legion Post 2 Walter L. Fox. The motion passed unanimously.

### **Review of Applications for Bingo Events**

Dagsboro Volunteer Fire Company (undetermined prizes)

Bowers Fire Company (promotional giveaways)

Mr. Angelucci reviewed the applications. Ms. Williams-Coger made a motion, seconded by Ms. Messina, to approve the bingo applications of Dagsboro Volunteer Fire Company and Bowers Fire Company. The motion passed unanimously.

Delaware Breast Cancer Coalition (1<sup>st</sup> time bingo app, alcohol)

Mr. Angelucci reviewed the application. Mr. Greene stated that bingo events cannot be held at a bar establishment. Mr. Greene made a motion, seconded by Ms. Messina, to propose to deny the bingo application of Delaware Breast Cancer Coalition. The motion passed unanimously.

### **Review of Applications for Raffles**

Delaware Technical & Community College Educational Foundation (1<sup>st</sup> time raffle app)

Mr. Angelucci reviewed the application. Ms. McDowell made a motion, seconded by Ms. Williams-Coger, to approve the raffle application of Delaware Technical & Community College Education Foundation. The motion passed unanimously.

Delaware Children's Museum (1<sup>st</sup> time raffle app)

Mr. Angelucci reviewed the application. Ms. Williams-Coger made a motion, seconded by Ms. McDowell, to approve the raffle application of Delaware Children's Museum. The motion passed unanimously.

**Review of Request to Change Approved Event**

Knights of Columbus Seton Council (bingo date change)

Mr. Greene read aloud the request to change the date of a previously permitted bingo event for Knights of Columbus Seton Council. Ms. Messina made a motion, seconded by Ms. Williams-Coger, to approve the request as submitted. The motion passed unanimously.

**Inclement Weather/State of Emergency Request** - None

**Approval of Licensure List**

Ms. Messina read aloud the raffle licensure list. Mr. Angelucci made a motion, seconded by Ms. McDowell, to approve the raffle applications of Today Media Charitable Foundation and Milford Lions Service Foundation. The motion passed unanimously.

**Ratification of Charitable Gaming Event Permits Issued**

Ms. Messina read aloud the charitable gaming ratification list. Ms. Williams-Coger made a motion, seconded by Mr. Angelucci, to ratify the licensure of Vietnam Veterans of America Chapter 546, DE Warriors Travel Baseball Club, Lewes Lions Club, FOP Sussex County Lodge 9, First State Harmonizers, The Leukemia & Lymphoma Society, Our Lady of Fatima Catholic Church, St. John the Beloved Athletic Association, Friends for Rescue and Pet Care, and Seaford Lions Foundation. The motion passed unanimously.

Ms. McDowell made a motion, seconded by Mr. Angelucci, to ratify the charitable gaming application of Dover Elks Lodge 1903. The motion passed by a majority vote, with Ms. Messina recused.

**Ratification of Bingo Event Permits Issued**

Ms. Williams-Coger read aloud the bingo ratification list. Mr. Angelucci made a motion, seconded by Ms. McDowell, to ratify the bingo licensure of Nur Temple, Bowers Fire Company Ladies Auxiliary, Mamie A. Warren Senior Center, Clayton Fire Company No. 1, Camden-Wyoming Moose 203, Harrington Fire Company, Harrington Little League, Georgetown Fire Company Ladies Auxiliary, Camden-Wyoming Fire Company, Mill Creek Fire Company Ladies Auxiliary, Delaware Veterans Post 2, Cape Henlopen Elks 2540, Adas Kodesch, Delmar Fire Department Ladies Auxiliary, Friends for Rescue & Pet Care, Aetna Hose Hook & Ladder, FOP Lodge 9 Sussex County, Oak Orchard Riverdale American Legion Post 28, Holy Cross Church, Milford Elks Lodge 2401, Millsboro Fire Company, Harrington Senior Center, and Newark Elks Lodge 2281. The motion passed unanimously.

Ms. McDowell made a motion, seconded by Ms. Williams-Coger, to ratify the bingo application of Dover Elks Lodge 1903. The motion passed by a majority vote, with Ms. Messina recused.

**Hearings/Consent Agreements**

Complaint 22-02-11 (Greene) Review Consent Agreement

The Board reviewed a proposed Consent Agreement for Complaint 22-02-11, of which Mr. Greene was the assigned Board Contact. Mr. Willard read aloud the terms of the proposed Consent Agreement. After discussion, Ms. Messina made a motion, seconded by Ms. Williams-Coger, to accept the Consent Agreement as presented. The motion passed by a majority vote, with Mr. Greene recused. The Consent Order was circulated for signatures.

### **Complaint Assignment and Status**

#### **Complaint 22-02-12**

Mr. Greene reported that Complaint 22-02-12 has been assigned to Mr. Angelucci.

#### **Complaint 22-03-12**

Mr. Greene reported that Complaint 22-03-12 has been assigned to Ms. McDowell.

#### **Complaint 22-04-12**

Mr. Greene reported that Complaint 22-04-12 has been assigned to Ms. Williams-Coger.

### **Inspection Reports**

#### **Debra Sipple Memorial**

The Board reviewed the Inspection Report of Debra Sipple Memorial. Ms. Messina stated that Debra Sipple Memorial had 2 violations and summarized them for the public.

#### **Nanticoke Health Services**

The Board reviewed the Inspection Report of Nanticoke Health Services. Ms. Messina stated that Nanticoke Health Services had 1 violation and summarized the violation for the public.

#### **NUR Temple**

The Board reviewed the Inspection Report of NUR Temple. Ms. Messina stated that NUR Temple had 2 violations and summarized them for the public.

#### **Seaford Elks**

The Board reviewed the Inspection Report of Seaford Elks. Ms. Messina stated that Seaford Elks had 5 violations and summarized them for the public.

#### **Cape Henlopen Elks Lodge**

The Board reviewed the Inspection Report of Cape Henlopen Elks Lodge. Ms. Messina stated that Cape Henlopen Elks Lodge had 5 violations and summarized them for the public.

#### **Milton Fire Department Ladies Auxiliary**

The Board reviewed the Inspection Report of Milton Fire Department Ladies Auxiliary. Ms. Messina stated that Milton Fire Department Ladies Auxiliary had 1 violation and summarized the violation for the public.

#### **Knights of Columbus Coffee Run Council**

The Board reviewed the Inspection Report of Knights of Columbus Coffee Run Council. Ms. Messina stated that Knights of Columbus Coffee Run Council had 1 violation and summarized the violation for the public.

#### **Holy Rosary Roman Catholic Church**

The Board reviewed the Inspection Report of Holy Rosary Roman Catholic Church. Ms. Messina stated that Holy Rosary Roman Catholic Church had 5 violations and summarized them for the public.

#### **Rehoboth Cooperative Preschool**

The Board reviewed the Rehoboth Cooperative Preschool. Ms. Messina stated that Rehoboth Cooperative Preschool had 6 violations and summarized them for the public.

### **Discussion of AORs for Raffle Drawings**

Currently, a separate permit is generated for each raffle drawing date, and each permit requires an After Occasion Report. For organizations who are conducting raffles over an extended period of time, an AOR is required for each drawing date. The Gaming Inspectors have questioned how AORs should be completed for raffle events that occur over an extended period of time and have multiple drawing dates. The Board

discussed AORs for raffle drawings, but made no motion. AORs will continue to be due within 30 days of all raffle drawings.

**Discussion of Licensing for Third Party Vendors – Jean Betley**

Mr. Greene addressed Aaron Hemphill of Charitable Games of Delaware. Mr. Greene stated that he is “tired of the word games” and different interpretations of the law between the vendors and inspectors. Mr. Greene expressed his concern about how the third-party vendors are treating the Gaming Inspectors, and stated that disrespect of the inspectors would not be tolerated. Mr. Greene stated that after consultation with the Board's Deputy Attorney General, the Board made the following decisions:

- 1) The Board will send a letter to third-party vendors, citing 28 Del.C §1154 of the law. Ms. Messina read aloud 28 Del.C §1154 for the public.
- 2) Tips are not allowed at charitable gaming events. A donation container may be placed by the window where chips are exchanged for money. One hundred percent of donations collected in the container shall go to the charitable organization. The third-party vendor is not to receive any of the funds placed in the donation container.
- 3) The Board will strictly adhere to its statute and Rules and Regulations, and will no longer “bend” to help the third-party vendors. Mr. Greene stated that it is his belief that the third-party vendors only tell the charitable organizations ‘what they want them to hear’, and they don't entirely go through the law with the organizations. Mr. Greene added that letters will be sent and disciplinary action will be taken as needed. Mr. Greene stated that respect is not currently addressed in the statute, but he will work to change that before his Board term expires. He also advised Mr. Hemphill not to refer to Mr. Willard when addressing the Gaming Inspectors during inspections.

Mr. Willard addressed the public and referred to a letter from Charitable Games of Delaware. Mr. Willard reiterated that donations are acceptable, but tips are not. One hundred percent of donations are to go directly to the charitable organization, and none to the third-party vendor. Mr. Willard stated that the Board considers chips to be money and are not to be handled by the third-party vendor. All monies, including chips, are to be handled and counted by a designated member of the charitable organization, not the third-party vendor.

Mr. Willard stated that charitable organizations are required by law to provide a list of its members at every event. Mr. Willard questioned whether the vendors are preparing the membership lists. Mr. Hemphill stated that membership lists are prepared by the charitable organizations and given to the vendor to post on the date of the event. Mr. Willard and Ms. O'Neill stated that the lists must be prepared by the charitable organization and printed on the charitable organization's letterhead.

At Ms. O'Neill's request, Mr. Willard explained that the charitable organization must handle all of the monies at the event, not the third-party vendor. At the end of the night, the charitable organization should cut a check to the third-party vendor, not the other way around. Third-party vendors cannot collect the monies at the end of the night and send a check to the charitable organization at a later date. Mr. Hemphill asked if an exception may be made for a member of an organization who is not comfortable leaving the vendor's location with cash. Mr. Greene responded, no exceptions will be made. Mr. Willard added that the vendor may accompany the organization's member to its car or to the bank as a courtesy, but the money must be in the possession of the charitable organization at all times. Mr. Hemphill questioned, and the Board confirmed, that the charitable organization should bring a check with them to the event to pay the vendor's fee.

Mr. Angelucci stated that third-party vendors should not be interpreting the law for charitable organizations, but instead should refer them back to the statute, their attorney, or the Board office. Mr. Hemphill stated that the purpose of the letter he brought to the meeting was to clarify items in question, specifically for Rehoboth Cooperative Preschool. Mr. Hemphill stated that the questions referred to in the letter were posed to Charitable Games of Delaware by Rehoboth Cooperative Preschool at their event the previous Saturday night. Ms. Messina questioned why a member of Rehoboth Cooperative Preschool was not present at the meeting to

pose their questions in person. Mr. Hemphill stated that the organization had not received a copy of its inspection report yet, and he was posing the questions on its behalf in order to assist them as much as possible through the process.

Ms. O'Neill stated that inspectors speak with members of the charitable organizations before they leave a venue to review any violations and the corresponding statute or rules. Ms. O'Neill added that she personally met with Rehoboth Cooperative Preschool at their event the previous Saturday, and explained the statute and rules, and the violations that had been cited. Ms. O'Neill specifically advised Rehoboth Cooperative Preschool that Charitable Games of Delaware was not to hold any of the money from the event, but that the Preschool should collect all of the monies and write a check to Charitable Games of Delaware for their fee. Ms. O'Neill added that Rehoboth Cooperative Preschool was well aware of all of its violations. Ms. O'Neill stated that she gave her business card to Rehoboth Cooperative Preschool and that they had an open line to communicate with a very good source regarding any questions they had. Ms. O'Neill expressed her opinion that the questions asked in the letter presented by Charitable Games of Delaware were in fact not posed by Rehoboth Cooperative Preschool. Ms. O'Neill stated that she had advised the organization that she would be following up with them this week to inquire as to whether the organization or the vendor collected the funds from Saturday's event.

Ms. O'Neill stated that Mr. Hemphill had not been disrespectful to her on Saturday night. However, the other party at the table was disrespectful, very combative and manipulative, and told her she did not know how to interpret the laws, rules or regulations. The "other party" also told Ms. O'Neill that Mr. Willard makes decisions on how the Board interprets the rules, and that she was wrong.

Mr. Hemphill stated that he was clear that donations are acceptable during the events, but must entirely go to the charitable organization. Mr. Greene questioned, and Mr. Hemphill confirmed that he is also clear that a donation container must only be placed at the window where chips are exchanged for cash, and in no other location. Mr. Greene advised Mr. Hemphill to relay a message to Mr. Bunting that he may call Mr. Greene directly, or if he chooses to complain to his legislators, then they can call him directly and he will meet with them at Legislative Hall.

Mr. Hemphill stated that one of the violations cited for Rehoboth Cooperative Preschool was in regards to the monitoring of tables, and asked the Board for its interpretation of the rules regarding such. Mr. Hemphill read aloud from the Rules and Regulations and asked for clarification. Ms. Messina read aloud from Mr. Hemphill's letter, quoting an alleged conversation between Charitable Games of Delaware and the Gaming Inspectors. Ms. O'Neill gave her recollection of the conversation. Ms. Betley stated that the monitoring issue was discussed at the last meeting, of which Mr. Hemphill was not present but both of his partners were in attendance. Ms. Betley summarized last month's discussion, and stated that the Board had agreed that if one member could not feasibly monitor all of the tables, then an additional member of the organization should be present to assist in monitoring the games. Ms. Betley advised Mr. Hemphill that if a Gaming Inspector notifies them of a violation, they should follow the inspector's instructions until such time that the Board meets and they can directly pose any questions they may have regarding differing interpretations of the law. Ms. Betley added that the vendors should not disagree with and/or defy what the inspectors tell them, then wait until clarification at the next Board meeting to comply; they should comply with the inspector's instructions immediately. Mr. Greene and Ms. Messina clarified that monitoring means watching and being aware of what is going on during the games. The monitor of a game should be walking around and paying attention to what is happening, not standing over only one table or observing from a seat in an adjacent room with a window.

Ms. O'Neill stated that inspectors have to communicate with charitable organizations, but do not have to deal with third-party vendors or answer their questions. Ms. O'Neill added, and Ms. Messina agreed, that any information the inspectors provide to the third-party vendors is a gracious courtesy on the inspectors' part. Mr. Willard stated that the Board has the authority to discipline third-party vendors, so inspectors may be watching what they're doing as well. Ms. O'Neill stated, and Ms. Messina agreed, that the inspectors do not have to take verbal abuse from the third-party vendors, and do not have to interact with them during the inspection of



gaming events at their venues. Mr. Angelucci stated that the vendors should give the inspectors the same courtesy and respect they would extend to a Board member, since the inspectors are an extension of the Board.

Mr. Hemphill asked for clarification of what constitutes appropriate identification. Mr. Greene stated that the charitable organization should provide a list of its members printed on its letterhead to be posted at the venue during the event. Further, any member working the event should provide a photo I.D. upon request by an Inspector. Mr. Hemphill stated that the Members-In-Charge are listed on the permit, and questioned whether a complete list of the organization's membership must be posted during the event. The Board and Ms. O'Neill agreed that the Board's statute and rules specify that a complete list of the organization's membership must be present during the event.

The Board recognized a member of Mill Creek Ladies Auxiliary who stated that they had found the inspectors to be polite, courteous and very helpful. The Board expressed its appreciation for the comment.

#### **Election of Officers**

Mr. Greene nominated Mr. Angelucci as Board Chair. Ms. Messina seconded the nomination. The motion passed unanimously.

Mr. Greene nominated Ms. McDowell as Vice-Chair. Mr. Angelucci seconded the nomination. The motion passed unanimously.

Mr. Greene thanked the staff, the Division and Mr. Willard for their help over the past few years. Mr. Greene made a motion, seconded by Ms. Messina, to schedule a special meeting later in April to discuss the "Board Decisions" document. The motion passed unanimously. Mr. Willard proposed that the Board schedule the meeting for Tuesday, April 24 2012, at 1:00 p.m. Ms. Wagner will schedule the meeting and notify the Board members.

#### **OTHER BUSINESS BEFORE THE BOARD** - None

#### **PUBLIC COMMENT** - None


#### **NEXT MEETING**

The next scheduled Board meeting is May 3, 2012 at 1:00 p.m., at 861 Silver Lake Boulevard, Cannon Building, Conference Room B, Dover, Delaware.

#### **ADJOURNMENT**

There being no further business before the Board, Ms. Messina made a motion, seconded by Mr. Angelucci, to adjourn the meeting. The motion passed unanimously. The time of adjournment was not noted.

Respectfully Submitted,



Sandra Wagner  
Administrative Specialist III

*The notes of this meeting are not intended to be a verbatim record of the topics that were presented or discussed. They are for the use of the Board members and the public in supplementing their personal notes and recall for presentations.*